

UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

SECURITIES AND EXCHANGE )  
COMMISSION, )  
 )  
Plaintiff, )  
 )  
v. ) Civil Action No. 12-12324-MLW  
 )  
BIOCHEMICS, INC., JOHN J. MASIZ, )  
CRAIG MEDOFF and GREGORY S. )  
KRONING, )  
 )  
Defendants. )

**COMMISSION'S POSITION AS TO ADEC'S MOTION FOR  
CLARIFICATION CONCERNING SCOPE OF RECEIVERSHIP ORDER**

The Securities and Exchange Commission (“Commission”) hereby provides its position as to ADEC’s Motion for Clarification Concerning Scope of Receivership Order (Dkt. No. 507).

The Commission understands that in *In Re Inpellis*, 18-12844, the United States Bankruptcy Court for the District of Massachusetts heard extensive argument about the question of whether this Court’s Order Appointing Receiver (“Order,” Dkt. No. 452) prohibits or permits the examinations that ADEC seeks to take under Bankruptcy Rule 2004. That was a question the Commission did not contemplate at the time that it drafted and submitted the proposed Order to this Court. As a result, the Commission recognizes that the text of the existing Order does not answer that question. Nevertheless, the Commission agrees with the Receiver’s position that the requested 2004 examinations should be delayed for practical reasons until the completion of the sale process that the Receiver and Bankruptcy Trustee are currently undertaking (*see* Dkt. No. 497 at 3) and joins in the arguments that the Receiver has submitted in response to ADEC’s motion. *See* Dkt. No. 511. The 2004 examinations threaten to delay and distract the sale

process, and there is no urgency or reason for the 2004 examinations to commence prior to completion of the sale process.

Respectfully Submitted,

Dated: February 28, 2019

SECURITIES AND EXCHANGE COMMISSION,  
By its attorneys,

/s/ David H. London  
Kathleen Burdette Shields (BBO #637438)  
David H. London (BBO #638289)  
Securities and Exchange Commission  
33 Arch Street, 24th Floor  
Boston, Massachusetts 02110  
Telephone: (617) 573-8904 (Shields direct)  
Telephone: (617) 573-8997 (London direct)  
E-mail: [shieldska@sec.gov](mailto:shieldska@sec.gov)  
[londond@sec.gov](mailto:londond@sec.gov)

#### CERTIFICATE OF SERVICE

I hereby certify that, on February 28, 2019, a true and correct copy of the foregoing document was filed through the Court's CM/ECF system, and accordingly, the document will be sent electronically to the registered participants as identified on the Notice of Electronic Filing (NEF).

/s/ David H. London  
David H. London